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fore to the dynastic state; it will inevitably tend to promote a spirit of freedom and the development of more democratic political institutions.

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*Socialized Germany.* By FREDERIC C. HOWE. (New York: Charles Scribner's Sons. 1915. Pp. x, 342. \$1.50.)

Dr. Howe's work does not belong to the grist of books written hastily to prove the black sinfulness or the white righteousness of Germany's war policies. It is the outcome of a quarter century's study of German life, and had been in large part written before the outbreak of the European war. It was then laid aside, the preface tells us, to await the ending of the war, but later, as the fruits of Germany's organization became visible in her military efficiency, the author decided to complete it, partly as an explanation of that efficiency, and partly as a warning to the slacker nations. For Dr. Howe has his gospel of preparedness to spread abroad, but it is preparedness for peace. The German peril, he declares, is a peace peril as well as a military peril: "The real peril to the other powers lies in the fact that Germany is more intelligently organized than is the rest of the world." Soon Germany will turn from war to peace with the same preparedness with which she turned from peace to war: then let her laissez faire rivals beware.

In the shaping of modern Germany, Dr. Howe begins, three forces have been paramount—the survival of feudalism in Prussia, the personal influence of Bismarck and Wilhelm II, and the system of education. The survival of feudalism—due to the fact that the steam-roller of the French Revolution did not pass over eastern Prussia—explains both the political backwardness and the social paternalism of the modern state. A glowing and impressive account is given of the recent economic progress of Germany, based largely on the studies of Dr. Karl Helfferich. How explain this wonderful and unparalleled progress? the author asks. His answer is simple—state socialism.

One by one the chief phases of this policy of state socialism are reviewed. We are called upon to admire the state-owned railways, efficiently managed, yielding profit to the treasury and prosperity to German industry; the waterways, free ports, and harbor terminals; the experiments in state ownership of farms,

mines, forests; the expert-guided municipal government, the far-sighted planning of cities, the public appropriation of unearned increment. Everywhere we are shown efficiency, economy, foresight, single-minded zeal for the common good. The distribution phase of state socialism is even more noteworthy. We are shown how the worker is aided at every turn, trained in hand and head for his definite life work, assisted to find and keep that work, guarded against disease, cared for when ill, compensated for accident, enabled to employ his leisure profitably, and pensioned in old age.

The story of German efficiency, thoroughness, unity, is not a new one. Whether the war has given fresh proof of superior efficiency, or has merely shown how in Germany, above all other powers, every force and institution has been perverted into preparation for war, is a point which may be left to neutral pens to discuss. There is comparatively little in Dr. Howe's treatment that has not appeared elsewhere, notably in the writings of Mr. W. H. Dawson, to whom due acknowledgment is made. Yet in no other single book will one find so comprehensive and so able a summary and analysis of what the German state does for industry and for the citizen. The presentation is clear and well-balanced, and the author's short, crisp sentences drive every point home.

The query suggests itself whether Dr. Howe has not credited Germany's economic progress too exclusively to the intervention of the state. One could hardly expect the author to recognize what few, if any, recognized before Dr. Veblen—the advantage (the passing advantage) which Germany obtained in borrowing from Great Britain the technology of modern industry without the hampering conventionalities which surrounded it in the land of its birth. Other factors are more obvious. The title of the book is *Socialized Germany*, but it is of the state alone we hear, as if society and the state were one, even in Germany. There is not a word of individual efforts on the part of German business men, not a word of the cartels, or of the coöperative societies, or land mortgage associations, and only passing reference to trade unions. There is no recognition of the fact that perhaps the greatest service the state has rendered German industry has been to disappear; that the blotting out of petty state lines and obstructive tariffs has been a service of first magnitude. The effect of the present tariff is not considered, though the Hansa League has raised very pertinent questions as to the value of this form of state aid.

Again, too glowing a picture is presented. We are told that

"nowhere do people pay taxes more willingly than in Germany" (p. 22) and that "the privileged classes are kept under control" (p. 84), as if the privileged agrarian classes had never fought against inheritance taxes or forced food taxes on the gerrymandered masses. Insurance malingering is not mentioned. In discussing freight rates, the fact that total freight earnings in the United States are to earnings in Germany, per capita, as \$23.35 to \$8, is taken as the measure of the 'burdens' imposed. No proof is given of the assumption that conditions and progress are better in Germany than elsewhere, save for a carefully handpicked comparison of Dr. Helfferich's between German and English miners' wages in certain years, without any reference to the fact that English miners' wages vary as a rule with the price of coal; or any consideration of the facts presented in the British Board of Trade's inquiry into cost of living in German towns, which showed that in the trades covered "the German rate of money wages per hour is about three fourths of the English rate, and the cost of rent, food and fuel is nearly one fifth greater than in England." On one page, it is true (p. 202), Dr. Howe does recognize that the German workman's hours are long, his wages low, his housing bad, and sordid poverty widely prevalent, but this side of the picture is given little prominence.

It is recognized that the system has its social faults. Caste rules everywhere, initiative is sapped, individuality ironed out. What is the balance of gain or loss, whether the economic gains are bought too dear at the price of creating the conscript mind, of taking the backbone out of opposition to the ruling caste's political schemes, are questions the author does not face. For, he urges, these sacrifices, light or heavy, are not an essential part of socialism; they are due to the control of state socialism in the interest of a class, and could be avoided by democratic imitators. Perhaps, and yet it is well to remember the verdict of a sympathetic student of German affairs, Dr. Sadler, who fifteen years ago declared: "No other nation by imitating a little bit of German organisation can hope thus to achieve a true reproduction of the spirit of German institutions. The fabric of its organisation forms practically one whole. That is its merit and its danger. National institutions must grow out of the needs and character (and not least out of the weakness) of the nation which possesses them."

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